



GENERAL AWARENESS

IBPS PO CLERK



1) Which of the following are examples of non-tax revenue?

1. Interest receipts because of loans by the central government
2. Dividends and profits on investments made by the government
3. Fees and other receipts for services rendered by the government
4. Customs duty

- a) Only 1
- b) Only 1 and 2
- c) Only 1, 2 and 3
- d) All of the above
- e) Other than the given options

2) In 1990-91, India faced a severe Balance of Payments Crisis. To recover from the crisis, India availed the Extended Fund Facility (EFF) of the IMF subject to the following obligatory conditions except: –

- a) Devaluation of Rupee by 22%.
- b) Drastic Reduction in Peak Import Tariff (from 130% to 30%)
- c) Excise Duties to be hiked by 20% to neutralize the revenue cut due to Reduction in Import Tariff
- d) Govt. Expenditure to be cut down by 10% annually, i.e. Fiscal Prudence
- e) Current Account Deficit to be sustained minimum at 5%.

3) National Nutrition Mission (NNM) recently launched by the government aims to reduce “low birth weight” cases by ____ per annum.

- a) 3%
- b) 1%
- c) 2%
- d) 7%
- e) 5%

4) The NAIS survey says that a proportion of households having outstanding debt were 52.5 per cent and 42.8 per cent for agricultural and non-agricultural households respectively. What is the term used for this in the survey?

- a) Incidence of Indebtedness (IOI)
- b) Rate of Indebtedness (ROI)
- c) Level of Indebtness (LOI)
- d) Degree of Indebtness (DOI)
- e) Extent of Indebtness (EOI)

5) What do you understand by the term ‘Financial repression’?

- a) It is the ability of the government to attract household saving to it by fixing the rules
- b) It is the method of collecting more tax from corporate to meet revenue targets
- c) It is the situation under the constitution so that financial emergency can be declared
- d) It is another name of Current account deficit
- e) Term to describe the extent of the problem of NPA.

6) FIPB (Foreign Investment Promotion Board) is under which department?

- a) Department of Economic Affairs
- b) Department of Revenue
- c) Department of Investment
- d) Department of Commerce and Industry
- e) Department of Financial Services

7) Hopping inflation, jumping inflation and running or runaway inflation are the other names of which type of inflation?

- a) Hyperinflation
- b) Galloping inflation
- c) Bottleneck Inflation

d) Core inflation

e) Spiral Inflation

8) The Union Government has made the Pradhan Mantri Jan Dhan Yojana (PMJDY) an open-ended scheme, now the overdraft limit for account holders has been doubled to what amount?

a) Rs 12,000

b) Rs 15,000

c) Rs 10,000

d) Rs 8,000

e) Rs 20,000

9) With an aim to doubling farmers' income by 2022 the government has created, Dairy Processing & Infrastructure Development Fund (DIDF) for setting up of chilling infrastructure & installation of electronic milk adulteration testing equipment at village level. What is the financial outlay for the fund?

a) Rs. 11,056 crores

b) Rs. 5,435 crores

c) Rs. 8,004 crores

d) Rs. 12,127 crores

e) Rs. 10,543 crores

10) As per the Anoop Satpathy led committee which was set up to review and recommend methodology for fixation of National Minimum Wage (NMW), what should be the national minimum wage for India irrespective of sectors, skills, occupations and rural-urban locations?

a) Rs. 680 per day

b) Rs. 375 per day

c) Rs. 425 per day

d) Rs. 550 per day

e) Rs. 295 per day

Answers :

1) Answer: C

Non-tax revenue mainly consists of:

1. Interest receipts because of loans by the central government
2. Dividends and profits on investments made by the government
3. Fees and other receipts for services rendered by the government
4. Cash grants-in-aid from foreign countries and international organizations – Custom or import duties are levied by the Central Government of India on the goods imported into India.

The rate at which customs duty is levied on the goods depends on the classification of the goods determined under the Customs Tariff. The Customs Tariff is generally aligned with the Harmonised System of Nomenclature (HSL).

2) Answer: E

EFF availed from IMF was subject to, all of the above conditions except point no. (e). All of the above measures (except (e)) were imposed for fast recovery of India from BoP Crisis. Devaluation would help in increasing the export competitiveness of the goods and services.

Import Tariff Reduction was aimed to make India an open market for the World, these stressing on competitiveness, better technology and availability of goods and services in which India was not self-sufficient.

Point 3 and Point 4 were imposed for improving the fiscal deficit of India. However, sustaining current account deficit at min. 5% is wrong as it will further worsen the BoP situation of India, which is in contradiction to the objectives of IMF and purpose of EFF facility.

3) Answer: C

NNM targets to reduce stunting, under-nutrition, anaemia (among young children, women and adolescent girls) and reduce low birth weight by 2%, 2%, 3% and 2% per annum respectively. Although the target to reduce Stunting is at least 2% p.a., Mission would strive to achieve reduction in Stunting from 38.4% (NFHS-4) to 25% by 2022 (Mission 25 by 2022). More than 10 crore people will be benefitted by this programme.

4) Answer: A

The financial inclusion drive has resulted in proliferation of bank accounts in rural areas with 88.1 per cent of households having savings accounts, as per NABARD's All India Rural Financial Inclusion Survey (AFIS).

Incidence of Indebtedness (IOI), which is a proportion of households having outstanding debt on the date of the survey, was 52.5 per cent and 42.8 per cent for agricultural and non-agricultural households, respectively.

All India IOI taking rural households together stood at 47.4 per cent, as per the NABARD All India Financial Inclusion Survey (NAFIS)

5) Answer: A

Financial repression is a term that describes measures by which governments channel funds to themselves as a form of debt reduction. This concept was introduced in 1973 by Stanford economists Edward S. Shaw and Ronald I. McKinnon. Financial repression can include such measures as directed lending to the government, caps on interest rates, regulation of capital movement between countries and a tighter association between government and banks. The term was initially used in response to the emerging market financial systems during the 1960s, '70s and '80s.

6) Answer: A

The Foreign Investment Promotion Board (FIPB) is a national agency of Government of India, with the remit to consider and recommend foreign direct investment (FDI) which does not come under the automatic route. It acts as a single window clearance for proposals on foreign direct investment (FDI) in India. The Foreign Investment Promotion Board (FIPB) was housed in the Department of Economic Affairs, Ministry of Finance. FIPB will be abolished in financial year 2017-18, as announced by Finance Minister Arun Jaitley during 2017-2018 budget speech in Lok Sabha

7) Answer: B

Galloping inflation is a 'very high inflation' running in the range of double-digit or triple digit (i.e., 20 per cent, 100 per cent or 200 per cent in a year). Contemporary journalism has given some other names to this inflation —hopping inflation, jumping inflation and running or runaway inflation.

8) Answer: C

The Union Government has decided to make the Pradhan Mantri Jan Dhan Yojana (PMJDY) an open-ended scheme. Under the new incentives:

- I) The overdraft limit for account holders has now been doubled to Rs 10000.
- II) The free accident insurance cover has been doubled to Rs 2 lakh.
- III) There will be no conditions attached for over-draft of up to Rs 2,000.
- IV) The upper age limit for availing the facility has also been hiked to 65 from the earlier 60 years.

9) Answer: C

NABARD has set up the DIDF with a corpus of Rs 8,004 crore to bring more dairy farmers into organised milk marketing through cooperatives. The fund is implemented through National Dairy Development Board (NDDB) and National Cooperative Development Corporation (NCDC).

10) Answer: B

An expert committee led by Anoop Satpathy has recommended to fix the need based national minimum wage for India at INR 375 per day (or INR 9,750 per month) as of July 2018, irrespective of sectors, skills, occupations and rural-urban locations for a family comprising of 3.6 consumption unit. It has also recommended to introduce an additional house rent allowance (city compensatory allowance), averaging up to INR 55 per day i.e., INR 1,430 per month for urban workers over and above the NMW.